



STATE OF CONNECTICUT

OFFICE OF POLICY AND MANAGEMENT

Testimony Presented To The General Assembly Transportation Committee

MARCH 2, 2020

Testimony of Office of Policy and Management

Chairman Leone, Chairman Lemar, Ranking Members Martin and Devlin and Members of the Transportation Committee. This testimony is submitted in support of ***House Bill 5021 An Act Concerning Revisions to the Connecticut Port Authority.***

Last year, the Administration presented in front of the Transportation Committee to provide an overview and plan to restore fiscal responsibility, operational excellence, and public trust and confidence to the Connecticut Port Authority. Included in the testimony will be a Consulting Analysis Review presented to the Office of Policy and Management by Whittlesey that reviewed the following areas of the Connecticut Port Authority:

- Governance
- Organizational Structure
- Policies, Procedures, and Practices
- Technology
- Management of Outside Legal Services
- Management of Procurement
- Grant Management

This review has been utilized to make continued improvements to the Connecticut Port Authority and led to the creation of this legislation.

Over the past year, the following improvements have occurred:

Leadership and Board Governance

Governor Lamont nominated then Deputy Commissioner of the Department of Economic & Community Development (DECD) David Kooris as Acting Chair of the Connecticut Port Authority. David Kooris instituted policies and procedures to align the Connecticut Port Authority with the structure and operational best practices of the other Quasi-Public Agencies.

These policies and procedures include:

- CPA Board and staff received training regarding the State Code of Ethics from the State Ethics Office. Training of the Board and staff will occur annually.
- The CPA is now utilizing software to monitor financial status. As part of its MOU with the Port Authority, OPM contracted with a former municipal finance director to work with staff on improvements to the CPA's accounting systems and software. Assisting in this effort is a certified public accountant from a local accounting firm that has expertise and certification as a trainer in QuickBooks, CPA's financial management software. CPA continues to use CORE-CT to manage all state-appropriated funds and state bond funds.
- The CPA Board and staff received training on the FOIA requirements. The training of the Board and staff will occur annually.
- The CPA Board reconstituted its Finance Committee with new members including ex-officio representation by both OPM and the State Treasurer's Office.
- The CPA Board approved a Code of Ethics Policy and appointed an ethics compliance officer.
- David Kooris issued a memorandum establishing a process on the CPA procurement policy.
- Connecticut Port Authority Board authorized an MOU with DAS to mobilize project management support to ensure efficient and effective project delivery.
- Mr. Kooris issued a directive that no travel or entertainment expenses are to be incurred without his prior approval and that such approvals would generally be limited to those expenses critical to the mission and purpose of the CPA.
- The Acting Chair discontinued the use of the CPA's debit/credit card.
- Acting Chair Kooris issued a directive regarding the use of outside legal counsel and the process to be followed to better manage these costs.

Acting Chair David Kooris' actions brought the Connecticut Port Authority up to the operational standards consistent with other Quasi-Public Agencies and the expectations of Governor Lamont.

We appreciate the committee's consideration of the Governor's bill to put into statute the institutional and operational changes already implemented at the direction of Governor Lamont.

More specifically this bill will:

1) Makes the CPA board chair a gubernatorial appointment and eliminating a two-year term limit. Currently, the CPA Board selects its Chairperson from among its members for two years. Making the Chair a Governor's appointment is consistent with other quasi-public agencies such as (CHEFA, Connecticut Innovations, Green Bank, the Connecticut Lottery Corporation, Connecticut Airport Authority, and the Connecticut Health Exchange)

2) Adds the chief elected official of the City of New London to the board.

3) Adds language that indicates that the Executive Director is the supervising officer for administrative affairs including but not limited to approving expenses. In accordance with applicable laws, regulations, and CPA policies.

4) Requires that an annual independent audit of the CPA be conducted. It is currently done voluntarily.

5) This statute requires all CPA policies and procedures to be consistent across all quasi-public agencies. These policies are enumerated in the individual statutes of several of the other State quasi-public agencies

H.B 5021 ensures the Connecticut Port Authority will function as intended by the General Assembly and as expected by Governor Lamont. It will bring substantially more fiscal and operational accountability and has no fiscal impact on the State of Connecticut or the Connecticut Port Authority. It also will put in place operational controls to protect state funds.